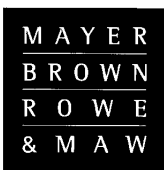


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December 19, 2003

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BY HAND

Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Re: Finance Docket No. 34319, Consolidated
Rail Corporation – Declaratory Order
Proceeding

Dear Secretary Williams:

On December 11, 2003, Consolidated Rail Corporation and AT&T Communications, Inc. filed with the Board a Joint Motion to Hold Proceedings in Abeyance in the above-captioned proceeding. In that Motion, the parties stated that they had submitted to the United States District Court for the Eastern District of Pennsylvania a Joint Motion for a Further Stay of Discovery and to Extend the Time for the Surface Transportation Board to Answer Questions Referred to it by the Court. The parties also stated that they would inform the Board as soon as the Court acted on their Motion. Yesterday, the Court entered an Order – which is attached to this letter – granting the parties' Motion. Also attached please find an Order placing the underlying litigation into civil suspense.

Sincerely,

Robert M. Jenkins III

Attachments

cc: Robert J. Higgins
Howard N. Feldman
B. Haven Walling, Jr.
Laura Hamilton
Dickstein Shapiro Morin & Oshinsky LLP

Paul H. Lamboley

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

AT&T COMMUNICATIONS, INC.,
Plaintiff

v.

CONSOLIDATED RAIL
CORPORATION,
Defendant

CIVIL ACTION
NO. 03-147

ORDER

AND NOW, this 18th day of December, 2003, upon consideration of the Joint Motion for a Further Stay of Discovery [Doc. # 42], it is hereby **ORDERED** that the Motion is **GRANTED**. It is specifically **ORDERED** that all discovery is **STAYED** until February 4, 2004, at which time the parties shall file a Joint Status Update addressing the progress of settlement negotiations and any other appropriate matters.

It is further **ORDERED** that the Surface Transportation Board has an additional 38 days beyond the 90-day period specified in this Court's September 29, 2003 Order, or until February 4, 2004, to advise the Court of the Board's answers to the questions referred to it pursuant to that Order.

It is further **ORDERED** that this case shall remain in the civil suspense file until further Order of Court.

It is so **ORDERED**.

BY THE COURT:


CYNTHIA M. RUFÉ, J.

CN

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

43

AT&T COMMUNICATIONS, INC.,
Plaintiff

v.

CIVIL ACTION
NO. 03-147

CONSOLIDATED RAIL
CORPORATION,
Defendant

FILED

DEC 16 2003
MICHAEL E. KONZ, Clerk
ORDER Dep. Clerk

AND NOW, this 16th day of December, 2003, the Court having learned that the parties are engaged in substantial settlement discussions, and the Court having stayed all discovery through February 4, 2004, the Clerk of Court is directed to place this matter in the civil suspense filing until further Order of Court.

It is so ORDERED.

BY THE COURT:

ENTERED
DEC 17 2003
CLERK OF

Cynthia M. Rufe
CYNTHIA M. RUFÉ, J.

12/17/03 copies mailed out